

6
First Union Rail Corporation

One O'Hare Center
6250 River Road, Suite 5000
Rosemont, Illinois 60018-4214
847 318-7575
Fax 847 318-7588

RECORDATION NO. 21340 FILED

APR 17 '98

12-50 PM

April 2, 1998

**FIRST
UNION®**

VIA FEDERAL EXPRESS

Surface Transportation Board
Attn: Jan Fort
1925 K Street, N.W.
Room 704
Washington, D.C. 20423-0001

Re: Memorandum of Lease Agreement

Dear Ms. Fort:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301 (a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated November 21, 1997, a primary document as defined in the Board's Rules for the Recordation of Documents. The names and addresses of the parties to the enclosed document are:

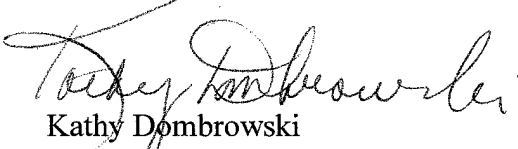
Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Sisseton Milbank Railroad
419 S. Main Street
Milbank, SD 57252

A description of the railroad equipment covered by the enclosed document is set forth on Exhibit A, as attached to such Memorandum.

Also enclosed is a check in the amount of \$24.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned.

Very truly yours,


Kathy Dombrowski
Manager-Documentation

Enclosures
(SMRR006)

EXHIBIT A
to
RIDER NO. 1

APR 17 '98

12-50 PM

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 21st day of November 1997, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Sisseton Milbank Railroad Inc. ("Lessee"), a South Dakota corporation.

W I T N E S S E T H:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement, dated as of Nov. 21, 1997, whereby Lessor has agreed to lease to Lessee certain railcars being described in more particular on Exhibit A attached hereto, effective as of the date set forth above and subject to the terms, conditions and provisions of said Lease.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: Richard F. SeymourName: RICHARD F. SEYMOUR
Vice President Sales & MarketingBy: Robert C. Hamilton

Title: _____

Name: ROBERT C. HAMILTONTitle: DIRECTOR - DOCUMENTATION Executed on this 23rd day of Dec., 1997.

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, K. A. DOMBROWSKI, a Notary Public of the County and State
aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and
acknowledged his due execution of the foregoing Memorandum of Lease.

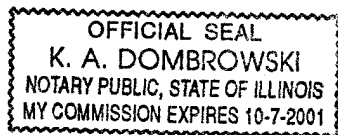
WITNESS my hand and official stamp or seal, this 23rd day of December, 1997.

K. A. Dombrowski
Notary Public

My Commission Expires:

10/7/2001

(Notary Public)



LESSEE:

SISSETON MILBANK RAILROAD INC.

ATTEST:

By: NEIL BAGANUS

Name: Neil Baganus

By: _____

Title: General Manager

Name: _____

Title: _____

Executed on this ____ day of _____, 199__.

[CORPORATE SEAL]

STATE OF South Dakota

COUNTY OF Grant

I, Jennifer J. Baganus, a Notary Public of the County and State aforesaid, certify that Neil Baganus personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 10 day of December, 1997

Jennifer J. Baganus
Notary Public

My Commission Expires:

My Commission
Expires Oct. 4, 2003

(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

Twenty-Five (25) Covered Hopper Railcars

NOKL	821544
NOKL	821545
NOKL	821546
NOKL	821547
NOKL	821548
NOKL	821550
NOKL	821551
NOKL	821552
NOKL	821553
NOKL	821554
NOKL	821555
NOKL	821556
NOKL	821557
NOKL	821558
NOKL	821559
NOKL	821560
NOKL	821561
NOKL	821562
NOKL	821563
NOKL	821564
NOKL	822176
NOKL	822177
NOKL	822954
NOKL	822955
NOKL	822956
Count:	25.00